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**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTOMail@traskbritt.com

<b>Office Action Summary</b>	<b>Application No.</b>	<b>Applicant(s)</b>	
	09/981,213	RENES ET AL.	
	<b>Examiner</b>	<b>Art Unit</b>	
	Tran Nguyen	3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

1) Responsive to communication(s) filed on 01 April 2009.

2a) This action is **FINAL**.                            2b) This action is non-final.

3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

4) Claim(s) 1-19 is/are pending in the application.

4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

5) Claim(s) \_\_\_\_\_ is/are allowed.

6) Claim(s) 1-19 is/are rejected.

7) Claim(s) \_\_\_\_\_ is/are objected to.

8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

9) The specification is objected to by the Examiner.

10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a) All    b) Some \* c) None of:

1. Certified copies of the priority documents have been received.
2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

1) Notice of References Cited (PTO-892)

2) Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.

4) Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.

5) Notice of Informal Patent Application

6) Other: \_\_\_\_\_.

**DETAILED ACTION**

***Notice to Applicant***

This communication is in response to the communication filed 04/01/2009.

Pending claim(s): 1-19. Cancelled claim(s): 20. Amended claim(s): 9, 12.

***Response to Amendment***

As per the Office Action mailed 10/01/2008:

The rejection of claim 9 under 35 USC 112, first paragraph is hereby withdrawn in view of Applicant's amendment to claim 9.

The rejection of claims 1-20 under 35 USC 101 is hereby withdrawn in part in view of Applicant's cancellation of claim 20. The remainder of this rejection with respect to claims 1-19 is hereby maintained in view of Applicant's failure to adequately traverse this rejection.

The amendment filed 04/01/2009 is objected to under 35 U.S.C. 132(a) because it introduces new matter into the disclosure. 35 U.S.C. 132(a) states that no amendment shall introduce new matter into the disclosure of the invention. The added material which is not supported by the original disclosure is as follows:

The newly added limitation in claim 9 recites:

gathering data about two or more natural persons entering into a cohabitation agreement;

~~wherein the two or more natural persons are a cohabiting same sex couple unmarried.~~

Independent claim 12 recites similar limitations.

These newly added limitations appear to constitute new matter. Applicant did not point out, nor was Examiner able to find, any support for these newly added limitations in the specification as originally filed.

Specifically, the specification as originally filed in 10/17/2001 does not provide written description support for providing insurance to three or more people in a cohabitation agreement.

Additionally, the bulk of the specification is directed towards providing insurance to married couples. There is no express, implicit, or inherent disclosure of applying and administering insurance for an unmarried couple, much less three or more unmarried people.

For new or amended claims, it is not enough to specifically point out that the claimed features were originally disclosed.

MPEP 2163(I)(B) reads as follows:

“While there is no *in haec verba* requirement, **newly added claim limitations must be supported in the specification through express, implicit, or inherent disclosure**”.

MPEP 2163.02 reads as follows:

“An applicant shows possession of the claimed invention by **describing the claimed invention with all of its limitations** using such descriptive means as words, structures, figures, diagrams, and formulas that fully set forth the claimed invention.

*Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572, 41 USPQ2d 1961, 1966 (Fed. Cir. 1997)".

To clarify the record, Applicant is suggested to refer to the specification as originally file to provide support for the claimed embodiment in its entirety, including discussing how all the claimed features were originally described in a single embodiment via express, implicit, or inherent support.

Applicant is reminded that mere original disclosure of a claim feature is not enough to meet the written description requirement for amended claims. The specification as originally filed must provide support for the claimed embodiment with no manipulation required thereof.

Any modification, obvious or otherwise, of the original disclosure required to arrive at the claimed invention would render the added features new matter.

To properly point out support for the claim in the specification as originally filed, Applicant is suggested to discuss how the specification as originally filed is anticipatory of the entire new or amended claim, including all claim features, in a single embodiment with no modification required of the specification.

While there may be some suggestions to applying the disclosed invention to unmarried couples, there is no express, implicit, or inherent disclosure of providing insurance to two or more unmarried people.

Applicant is requested to clarify the issues discussed above, to specifically point out support for the newly added limitations in the originally filed specification and claims to the extent possible, and to cancel any new matter in the reply to this Office Action.

***Specification***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

The specification is objected to under 35 USC 112, first paragraph for at least the same rationale as discussed above, and incorporated herein.

***Claim Rejections - 35 USC § 112***

Claim(s) 1-19 is/are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

As per claim(s) 1-19, these claims are rejected for at least the same rationale as discussed above, and incorporated herein.

NOTE: The rejection presented hereinbelow if for Applicant's consideration should Applicant properly traverses the new matter issues discussed above in the response hereto.

***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claim(s) 1-19 is/are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As per claim 9, based on Supreme Court precedent and recent Federal Circuit decisions, the Office's guidance to examiners is that a § 101 process must (1) be tied to a machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. *In re Bilski et al*, 88 USPQ 2d 1385 CAFC (2008); *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876).

An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a statutory process, the claim should positively recite the particular machine to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively

recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.

In particular, the following steps recited in claim 9 appear to require the particulars of a statutory machine:

entering the data into a computer;

determining, by way of calculating, with the computer, a periodic amount to be charged a prospective participant for insurance covering at least some financial consequences of the untimely ending of a contractual-relationship cohabitation agreement between the two or more natural persons;

Nonetheless, the following step does not appear to require the particulars of a statutory machine:

charging [[that]] the periodic amount in an insurance program over a period of time; and administering the insurance program so that upon ending of the cohabitation agreement, payments covering at least some financial consequences of the ending of the cohabitation agreement are made,  
wherein the two or more natural persons are a cohabiting same-sex couple unmarried.

This step appears to be an essential method step of the claimed invention. In particular, this step is essential because it provides the operation for the insurance policy, including charging money and providing a payout in the event of loss.

Because at least one essential step does not require the particulars of a statutory machine, this claim fails the “machine” prong of the test.

Additionally, this claim appears to recite only mere data transformation because generated premium does not appear to be a physical transformation. Therefore, the claim fails the “transformation” prong of the test.

Because the claim fails both prongs of the “machine or transformation” test, this claim is found to be directed towards nonstatutory subject matter.

As per claims 1-8, 10-19, these claims are rejected for at least the same rationale above, and incorporated herein.

Additional clarification is requested.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

Claim(s) 1-3, 5, 8, 10, 12, 16, 18 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden (Breaking Up Without Going Broke, copy provided in Office

Action mailed 08/08/2006) in view of Applicant Admitted Prior Art (AAPA) and Roberts (4839804).

It is noted that the official notice taken in the Office Action mailed 10/01/2008 is taken to be AAPA because Applicant failed to adequately traverse Examiner's assertion.

As per claim 1, Golden teaches a married couple (reads on "living together") (paragraph 15).

As per claim 2, Golden teaches a married couple filing for divorce (reads on "legally married") (paragraph 15).

As per claim 3, Golden teaches a married couple filing for divorce (paragraph 15).

As per claim 5, Golden teaches that divorce insurance is offered as part of legal insurance (reads on "another contract") (paragraph 15).

As per claim 8, Golden teaches the policyholder being party to the divorce (paragraph 15).

As per claim 10, Golden teaches a blackout period (paragraph 18).

As per claim 12, Golden teaches a method (paragraph 15) capable of providing legal insurance (reads on "doing business") (paragraph 15) comprising:

(a) identifying a policyholder (page 2 paragraph 15) who is married (page 2 paragraph 17) (reads on "data about two or more natural persons entering into a contractual relationship").

Golden does not teach a "computer".

AAPA teaches that using a computer to calculate an insurance premium is old and well established in the art of insurance underwriting.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of AAPA within the embodiment of Golden with the motivation of leveraging the power of technology to provide business improvements.

Golden further teaches:

(c) charging \$15 per month (reads on "a periodic amount") to a policyholder for providing legal insurance coverage capable of paying for legal fees (reads on "at least some financial consequences") arising out of a divorce proceeding (reads on "the untimely ending of a contractual relationship between two or more natural persons").

Golden does not teach the "computer".

AAPA teaches that using a computer to calculate an insurance premium is old and well established in the art of insurance underwriting.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of AAPA within the embodiment of

Golden with the motivation of leveraging the power of technology to provide business improvements.

Golden further teaches:

(d) charging \$15 per month for coverage (reads on "over a period of time") (paragraph 15);  
(e) administering the insurance plan and providing legal fees upon dissolution of an unmarried relationship that could potentially trigger palimony (reads on "payments covering at least some financial consequences of the ending of the cohabitation agreement") (page 2 paragraph 15-16);

Golden does not teach the "computer".

AAPA teaches that using a computer to calculate an insurance premium is old and well established in the art of insurance underwriting.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of AAPA within the embodiment of Golden with the motivation of leveraging the power of technology to provide business improvements.

Golden further teaches:

(f) wherein the payout is for legal fees (page 2 paragraph 15-16), alimony and child-support payments (paragraph 10).

Golden does not teach "at least some financial consequences... comprise, in addition to legal fees... a child's education".

Roberts teaches providing insurance coverage for a child's education in the event of the death of a parent (column 3 line 6-16).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Roberts within the embodiment of Golden and AAPA with the motivation of providing a form of child support (Golden; page 2 paragraph 10).

Insofar as the remainder of the claim is concerned, the applied art need not teach these limitations in view of the optional limitations recited therein.

As per claim 16, Golden teaches adjusting the premium based on marital history (reads on "changed circumstances") (paragraph 18).

As per claim 18, Golden teaches a monthly premium (paragraph 15).

Claim(s) 4, 11, 14-15, 17 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden in view of AAPA and Roberts as applied to parent claim 1 above, and further in view of Covert (20050038681).

As per claim 4, Goldberg, AAPA, and Roberts do not teach "combines some financial consequences of the untimely ending of a contractual relationship between natural persons with other financial risks of the two or more natural persons".

Covert teaches providing insurance coverage to spouse and children in divorced families (page 2 paragraph 0036).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Covert within the embodiment of Goldberg, AAPA, and Roberts with the motivation of providing protection against additional expenses beyond those associated with the divorce (Covert; page 2 paragraph 0032-0033).

As per claim 11, Goldberg, AAPA, and Roberts do not teach “paid by an entity not being one of the two or more natural persons”.

Covert teaches purchasing through an agent or at the order of a court (reads on “not being one of the two or more natural persons”) (page 4 paragraph 0061).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Covert within the embodiment of Goldberg, AAPA, and Roberts with the motivation of providing protection against additional expenses beyond those associated with the divorce (Covert; page 2 paragraph 0032-0033).

As per claims 14-15, Goldberg teaches that the government would pay the legal expenses for poor people (reads on “projected earnings”) (paragraph 19).

Goldberg, AAPA, Roberts, and Covert do not teach charging the periodic amount based on the prospective participant’s and spouse’s projected earnings.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to provide government subsidies for divorce insurance within the embodiment of Goldberg, AAPA, Roberts, and Covert with the motivation of reducing spending for countries already paying for legal expenses of poor people (Golden; paragraph 19).

As per claim 17, Goldberg, AAPA, and Roberts do not teach “disability of one or more of the natural persons”.

Covert teaches providing insurance for the disability of a person (page 2 paragraph 0036).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Covert within the embodiment of Goldberg, AAPA, and Roberts with the motivation of tailoring premiums to the characteristics of the participant (Golden; paragraph 18).

Insofar as the remainder of the claim is concerned, the applied art need not teach these limitations in view of the optional limitations recited therein.

Claim(s) 6-7, 19 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden in view of AAPA and Roberts as applied to parent claim 1 above, and further in view of Mooney (Could Insurers Find Bliss In Divorce Market?, copy provided in Office Action mailed 08/08/2006).

As per claim 6, Goldberg, AAPA, and Roberts do not teach “a payment to the two or more natural persons at an end date of insurance coverage in the event the contractual relationship between the two or more natural persons does not end untimely”.

Mooney teaches providing a cash dividend disbursed after a period of time wherein the insurable event does not occur (page 19 paragraph 12).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Mooney within the embodiment of Goldberg, AAPA, and Roberts with the motivation of providing an incentive to maintain the marriage (Mooney; page 19 paragraph 12, Golden; paragraph 10).

As per claim 7, Goldberg, AAPA, and Roberts do not teach “investment on the periodic amounts paid on behalf of said natural persons”.

Mooney teaches structuring the end-term payout like a whole life policy (page 19 paragraph 12).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Mooney within the embodiment of Goldberg, AAPA, Roberts, and Mooney with the motivation of providing an incentive to maintain the marriage (Mooney; page 19 paragraph 12, Golden; paragraph 10).

As per claim 19, Goldberg, AAPA, and Roberts do not teach “investing at least a portion of the periodic amount”.

Mooney teaches structuring divorce insurance like a whole life policy (page 19 paragraph 12).

AAPA teaches that investing the premium is old and well established in the art of insurance.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of AAPA within the embodiment of Goldberg, AAPA, Roberts, and Mooney with the motivation of generating a return on the premium for use to pay out claims, preventing the devaluation of money due to inflation, and generating a profit for the insurer.

Claim(s) 9 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden in view of AAPA.

It is noted that the official notice taken in the previous Office Action is taken to be AAPA because Applicant failed to adequately traverse Examiner's assertion.

As per claim 9, Golden teaches a method (paragraph 15) capable of providing legal insurance (reads on "doing business") (paragraph 15) comprising:

(a) identifying a policyholder (page 2 paragraph 15) who is involved in an unmarried relationship (page 2 paragraph 17) (reads on "data about two or more natural persons entering into a cohabitation agreement").

Golden does not teach a "computer".

AAPA teaches that using a computer to calculate an insurance premium is old and well established in the art of insurance underwriting.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of AAPA within the embodiment of Golden with the motivation of leveraging the power of technology to provide business improvements.

Golden further teaches:

(c) charging \$15 per month (reads on "a periodic amount") to a policyholder for providing legal insurance coverage capable of paying for legal fees (reads on "at least some financial consequences") arising out of a divorce proceeding (reads on "the untimely ending of a cohabitation agreement").

Golden does not teach the "computer".

AAPA teaches that using a computer to calculate an insurance premium is old and well established in the art of insurance underwriting.

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of AAPA within the embodiment of Golden and AAPA with the motivation of leveraging the power of technology to provide business improvements.

Golden further teaches:

(d) charging \$15 per month for coverage (reads on "over a period of time") (paragraph 15);

(e) administering the insurance plan and providing legal fees upon dissolution of an unmarried relationship that could potentially trigger palimony (reads on “payments covering at least some financial consequences of the ending of the cohabitation agreement”) (paragraph 15-16);

(f) wherein the couple is unmarried (page 2 paragraph 17).

Claim(s) 13 is/are rejected under 35 U.S.C. 103(a) as being unpatentable over Golden in view of AAPA and Roberts as applied to parent claim 12 above, and further in view of Flagg (6456979).

As per claim 13, Goldberg, AAPA, and Roberts do not teach “based, in part, on the prospective participant’s age and the prospective participant’s partner’s age”.

Flagg teaches calculating an insurance premium based on the participant’s age (column 2 line 13-32).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Flagg within the embodiment of Goldberg, AAPA, and Roberts with the motivation of tailoring premiums to the characteristics of the participants (Golden; paragraph 18).

### ***Response to Arguments***

Applicant's arguments filed 04/01/2009 have been fully considered but they are not persuasive.

On page 8 Applicant argues:

Official Notice was taken that a computer would be old and well established in the art of insurance underwriting. Applicants respectfully submit that this is an inappropriate use of "Official Notice", and appears to be an attempt to relieve the Office of part of its burden in establishing a *prima facie* case of obviousness, and applicants traverse the rejection upon that grounds.

In making this argument, Applicant asserts that the use of Official Notice is inappropriate; however, Applicant does not state why the previously noticed fact is inappropriate.

Additionally, Applicant further asserts that the Official Notice appears to be an attempt to relieve the Office's burden in establishing a *prima facie* case of obviousness.

Examiner agrees with Applicant's assertion.

In particular, the previously noticed fact is the use of computer to automate insurance underwriting. Since this feature is notoriously well known and is capable of instant and unquestionable demonstration, this use of Official Notice is fully consistent with MPEP 2144.03.

If Applicant disagrees, Applicant is requested to furnish documentary evidence on why officially noticed facts, when implemented correctly, may not be used to relieve the Office's burden to provide prior art.

Since Applicant traverses the rejection for these grounds, Applicant's argument is found not to be persuasive.

Assuming *arguendo* that Applicant is traversing the previously noticed fact, MPEP 2144.03(C):

"To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 ("[I]n the absence of any demand by appellant for the examiner to produce authority for his statement, we will not consider this contention."). A general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice would be inadequate. If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 ("[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings" to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2).

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate."

In this case, Applicant's traversal is inadequate because Applicant failed to specifically point out the supposed error in Examiner's action. Applicant also failed to state why the noticed fact is not considered to be common knowledge or well-known in the art.

Assuming *arguendo* that Applicant's traversal is adequate, Examiner submits class 705, subclass 4, directed towards insurance. This subclass contains many references directed towards using computer technology to calculate premiums as well as perform other underwriting functions.

Therefore, the previously noticed fact is taken to be admitted prior art because Applicant's traversal was inadequate.

On page 8-9 Applicant argues:

Roberts was thought to provide the other missing elements. Roberts, in its abstract, discloses

"A method and apparatus are provided to insure a means of purchasing a floating rate zero coupon note that is designed to fund a certain future liability of uncertain value and thereby defease fully its future cost. The method is a one-year renewable term insurance program that fully funds the purchase of a certain floating rate zero coupon note upon the occurrence of some catastrophic event, such as the death of the insured. The system projects the expected death benefit payment and then calculates the annual insurance premium based on the expected death benefit payment, type of policy, and personal and risk characteristics of the insured." (Underlining added).

Roberts continues:

"The floating rate zero coupon note is designed to fund a future liability whose projected due date and whose present cost are known and whose future cost is unknown but can be projected with some risk factor." (Roberts, col. 2, lines 8-11).

And,

In view of the foregoing, it is an object of [Roberts] to provide a data processing method and apparatus for implementing a life insurance program which provides the beneficiary a benefit sufficient to cover fully the uncertain future cost of a floating rate zero coupon note, which is designed to fund an uncertain future liability whose cost can be projected on the basis of current cost data and assumptions regarding the rate of change of that data, and which automatically determines the insurance premiums that must be charged in order properly to fund the insurance program.

It is a more particular object of [Roberts] to provide data processing methods and apparatus for implementing a life insurance program which provides a parent or relative who wishes to purchase floating rate zero coupon notes designed to defease the uncertain future cost of a college education for a child with assurance that the child's education will be fully funded in the event the parent or relative should die before he or she can fully purchase the full complement of floating rate zero coupon notes needed to defease the cost of the child's college education. (Roberts, col. 2, line 63 to col. 3, lines 15).

Applicants respectfully disagree with the obviousness rejection.

There must be a reason that would have prompted a person of ordinary skill in the relevant field to combine the prior art elements in the manner claimed. *KSR Int'l Co. v. Teleflex Inc.*, 127 S. Ct. 1727, 1742 (2007). That reason is not apparent in the instant case absent the inappropriate application of hindsight.

Page 8 of the Office Action mailed 10/01/2008:

Roberts teaches providing insurance coverage for a child's education in the event of the death of a parent (column 3 line 6-16).

At the time the invention was made, it would have been obvious to one of ordinary skill in the art to include the teachings of Roberts within the embodiment of Golden and the Official Notice with the motivation of providing a form of child support (Golden; paragraph 10).

First, it is unclear why Applicant did not include column 3 line 6-16 of Roberts when discussing this reference.

The section cited by Examiner:

It is a more particular object of this invention to provide data processing methods and apparatus for implementing a life insurance program which provides a parent or relative who wishes to purchase floating rate zero coupon notes designed to defease the uncertain 10 future cost of a college education for a child with assurance that the child's education will be fully funded in the event the parent or relative should die before he or she can fully purchase the full complement of floating rate zero coupon notes needed to defease the cost of the 15 child's college education.

Clearly, Roberts teaches funding a child's college education should one or both parents are unable to fund the child's college education themselves.

Second, the rationale to combine was clearly set forth on page 8 of the Office Action mailed 10/01/2008. In this case, the motivation to combine came from Golden, wherein Gold teaches providing child support. Since it is known from Roberts that child support costs include college tuition, the combined teachings of the applied art suggest the claimed invention.

Third, in response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

On page 9 Applicant further argues:

There would be no reason to combine Roberts' "one-year renewable term insurance program" used to fund an uncertain cost of a college education with Golden.

This argument merely rehashes the argument presented above, and incorporated herein.

On page 9 Applicant further argues:

Roberts' goals, while laudable, "teach away" from the instantly claimed methods, which are meant to enhance the financial security of a family, not hedge against an uncertain college tuition inflation (particularly in the event of death of a parent). *In re Peterson*, 315 F.3d 1325, 1331 (Fed. Cir. 2003).

Applicant's argument is not persuasive because the applied art does not criticize, discredit, or otherwise discourage the solution claimed. MPEP 2141.02(VI).

Should Applicant disagree, Applicant is requested to specifically out where in the teachings of Roberts does Robert specifically criticize, discredit, or otherwise discourage divorce insurance paying for a child's college education.

On page 9 Applicant further argues:

The Office's reliance on Golden's paragraph 10 does not rectify the situation. Golden merely addresses "child support payments", which are a far cry from college tuition, let alone the uncertain price of future college tuition.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

In this case, Applicant did not address the combination of Golden and Roberts, which would suggest paying for a child's support, wherein the child support includes the child's college education.

On page 10 Applicant argues:

Applicants respectfully submit that the Office's use of "Official Notice" is inappropriate, and appears to be an attempt to relieve the Office of part of its burden in establishing a *prima facie* case of obviousness, and applicants traverse the rejection upon those grounds.

In making this argument, Applicant asserts that the use of Official Notice is inappropriate; however, Applicant does not state why the previously noticed fact is inappropriate.

Additionally, Applicant further asserts that the Official Notice appears to be an attempt to relieve the Office's burden in establishing a *prima facie* case of obviousness.

Examiner agrees with Applicant's assertion.

In particular, the previously noticed fact is the use of computer to automate insurance underwriting. Since this feature is notoriously well known and is capable of instant and unquestionable demonstration, this use of Official Notice is fully consistent with MPEP 2144.03.

If Applicant disagrees, Applicant is requested to furnish documentary evidence on why officially noticed facts, when implemented correctly, may not be used to relieve the Office's burden to provide prior art.

Since Applicant traverses the rejection for these grounds, Applicant's argument is found not to be persuasive.

Assuming *arguendo* that Applicant is traversing the previously noticed fact, MPEP 2144.03(C):

"To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 ("[I]n the absence of any demand by appellant for the examiner to produce authority for his statement, we will not consider this contention."). A general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice would be inadequate. If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 ("[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings" to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or

declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2).

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate."

In this case, Applicant's traversal is inadequate because Applicant failed to specifically point out the supposed error in Examiner's action. Applicant also failed to state why the noticed fact is not considered to be common knowledge or well-known in the art.

Assuming *arguendo* that Applicant's traversal is adequate, Examiner submits class 705, subclass 4, directed towards insurance. This subclass contains many references directed towards using computer technology to calculate premiums as well as perform other underwriting functions.

Therefore, the previously noticed fact is taken to be admitted prior art because Applicant's traversal was inadequate.

On page 10 Applicant argues:

While being potentially useful to the payee spouse, Covert's Family Protector Insurance is different than applicants' claimed method, which can be beneficial to everyone involved. Specifically, applicants' claims are directed to a method much more akin to long term health or life insurance wherein payments are made, but no desire is harbored by the participants to ever have the insured event actually occur (e.g., divorce in the case of a married couple is much like sickness or death, respectively, in the cases of health and life insurance; they are insured against, but no one wants them to occur). (See, e.g., paragraph [0008] of applicants' published application). Unlike Covert, under applicants' claim 12, the policy is contracted and entered into (and premiums have been paid) long before an end (e.g., a divorce) is even contemplated by the contracting persons (e.g., as was claimed in claim 1, applicants' insurance policy insured against the untimely end of a contractual relationship, it was not intended to solely protect one party's interests as the results of an already made decision to end the contractual relationship).

Examiner cannot ascertain Applicant's assertion that the claimed method is "beneficial to everyone involved".

Assuming *arguendo* that Applicant is asserting the advantage that the claimed method provides benefits to everyone involved, including the insurer and the insured, Examiner submits that any insurance policy would provide an economic benefit to the insured in the transfer of risk to the insurer, and to the insurer in the form of premiums.

Therefore, the asserted advantage does not distinguish the claimed invention from the applied art.

Applicant further appears to be asserting the advantage of anti-selection, wherein the insured has no desire to trigger the insurable event.

Examiner submits that an insurable risk is one that the insured has no desire to trigger the insurable event. This is called adverse selection in the art. If the insured has motivation to trigger the insurable event, i.e. intentionally causing the insurable event to

happen to collect insurance payout, this is known as insurance fraud, and is well known in the art.

Golden specifically recognizes this problem, and subjects the insured to a blackout period wherein no payout is given, as discussed above and incorporated herein.

Applicant appears to be referring to the PG-Pub. Because the PG-Pub is not part of the Official file, Applicant is requested to refer to the Official file. See MPEP 1730(II)(B)(1)(d) for information on how to access the Official file. See also the last page of this Office Action for information on how to access the PAIR system.

On page 10-11 Applicant argues:

For example, as described in paragraph [0014] of applicants' published application, installments for applicants' invention "can start at the day of marriage or before or during a marriage (or another such contract)."

Applicants' claim 12 (from which the rejected claims depend) is in stark contrast to Covert, where, in paragraph [0061], Covert states "Moreover, it should also be apparent that this transaction could be initiated at the time the divorce is finalized, at the time any child support payments are ordered, or at any time subsequent."

As further described in paragraph [0024] of applicants' published application,

"The policy could be sold to prospective participants in the usual ways for selling life insurance. For example, insurance salesmen could offer it to new couples."

Selling an insurance policy for the untimely ending of a relationship to newlyweds or their parents, guardians or via their employers is not the same as selling Covert's Family Protector Insurance to a divorcing couple, where the damage has already been done.

In response to applicant's argument that the references fail to show certain features of applicant's invention, it is noted that the features upon which applicant relies (i.e., starting the coverage at a certain time, selling to new couples) are not recited in the rejected claim(s). Although the claims are interpreted in light of the specification, limitations from the specification are not read into the claims. See *In re Van Geuns*, 988 F.2d 1181, 26 USPQ2d 1057 (Fed. Cir. 1993).

Accordingly, Applicant's arguments are completely irrelevant to the claimed invention.

Furthermore, Examiner does not rely on Covert for the rejection of claim 12. Therefore, it is unclear why Applicant is arguing that Covert does not have certain features of claim 12.

Additional clarification is requested.

On page 11 Applicant argues:

This fundamental difference between applicants' invention and Covert explains why the elements of claims 6 (refunding premiums if the contractual relationship does not occur), 7 (determining the amount of coverage dependent on investment return of the premium amounts), 13 (basing the premiums on the basis of the participants' ages), and 19 (investing the premiums paid) could not be found by the Office in Covert. Such elements are irrelevant to Covert's Family Protector Insurance, where there is a short investment time frame and the time value of money cannot be as readily utilized.

Similar to the argument addressed above, the rejection of claims 6, 7, and 13 does not rely on Covert.

Therefore, it is not apparent why the teachings of Covert would be relevant to the rejection of these claims.

Additional clarification is requested.

On page 11 Applicant further argues:

Roberts does not rectify the situation, and the rejection should be withdrawn for that reason.

In the rejection of claim 12, Examiner relies on Roberts solely for the teachings of a child's college education.

It is not clear what Applicant is arguing. In particular, Examiner is unable to determine what Applicant asserts is lacking in Roberts.

Assuming *arguendo* that Applicant is arguing that Roberts does not teach paying for a child's college education, this argument has been fully addressed above, and incorporated herein.

Additional clarification is requested.

On page 11-12 Applicant argues:

Furthermore, with respect to claim 11, applicants reviewed paragraph [0036] of Covert, and were unable to find a third party (not the payor or payee spouse) taking out the insurance

policy, such as in laws or an employer, which is an element of the claim.

Claim 11 recites:

11. (Previously presented) The method according to claim 12, wherein the charges for the periodic payments are paid by an entity not being one of the two or more natural persons in said contractual relationship.

This is a manually performed step, and does not require the particulars of a machine, i.e. paying the premium is done so by any entity.

In view of the *In re Bilski* decision, essential method steps must require the particulars of a statutory machine.

Applicant's argument that this feature distinguishes over the applied art is *prima facie* evidence that this step is an essential step that provides an essential functionality of the claimed method.

Applicant is specifically requested to admit on the record one of the following:

- a) the recited step is an essential step, or
- b) the recited step is a non-essential step.

Applicant is hereby advised that should Applicant asserts (a) above, the claim would be subjected to a rejection under 35 USC 101 for failing the "machine or transformation" test as outlined in the section above.

Should Applicant assert (b) above, this admission may be used in an obviousness rejection against the claim because a non-essential step does not materially affect the functionality of the claimed method.

Covert teaches (page 4):

[0061] For purposes of this invention generally, and specifically for purposes of the embodiments described in **FIG. 4**, **FIG. 5** (infra), **FIG. 6** (infra), **FIG. 7** (infra) and **FIG. 8** (infra), the person interested in purchasing the Family Protector Insurance can be either the payor spouse or the payee spouse. It should be obvious to one skilled in the art that the party interested in purchasing the Family Protector Insurance may do so through and an agent, such as legal counsel, a business advisor, personal representative and/or a fiduciary. Likewise, it should also be apparent that this transaction could be directed to be initiated at the order of a court, as a part of a some court order or divorce decree. The fact that an intermediary is used in purchasing or inquiring about the Family Protector Insurance does not change or alter the invention; the party interested in purchasing the Family Protector Insurance stays the same. Likewise, the fact that a court orders a party to purchase Family Protector insurance does not change the invention or alter the fact that it is the interested party actually seeking and purchasing the insurance policy. Moreover, it should also be apparent that this

transaction could be initiated at the time the divorce is finalized, at the time any child support payments are ordered, or at any time subsequent.

According to Covert, it is known that any interested party may purchase the insurance through any known intermediary.

Nonetheless, whether the applied art suggest this feature or not is immaterial in view of the discussion above.

Therefore, even if the applied art do not suggest the claimed invention, this claim would still not be patentable.

On page 12 Applicant argues:

With respect to claim 14, applicants reviewed paragraph [0036] of Covert, and were unable to find basing the periodic amount to be charged, in part, on the prospective participant's projected earnings, which is an element of the claim.

Claim 14 recites:

14. (Previously presented) The method according to claim 12 wherein the periodic amount to be charged is based, in part, on the prospective participant's projected earnings.

This is a manually performed step, and does not require the particulars of a machine, i.e. paying the premium is done so by any entity.

In view of the *In re Bilski* decision, essential method steps must require the particulars of a statutory machine.

Applicant's argument that this feature distinguishes over the applied art is *prima facie* evidence that this step is an essential step that provides an essential functionality of the claimed method.

Applicant is specifically requested to admit on the record one of the following:

- a) the recited step is an essential step, or
- b) the recited step is a non-essential step.

Applicant is hereby advised that should Applicant asserts (a) above, the claim would be subjected to a rejection under 35 USC 101 for failing the "machine or transformation" test as outlined in the section above.

Should Applicant assert (b) above, this admission may be used in an obviousness rejection against the claim because a non-essential step does not materially affect the functionality of the claimed method.

In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

Golden teaches (page 2):

¶ Other countries are testing the divorce insurance waters. In Russia, couples can sign up for it on their wedding day. It has been proposed in Great Britain, where the government bears the legal expense for poor people who divorce. (In the United States, divorce litigants are not entitled to publicly funded lawyers.)

According to Golden, the government should subsidize poor people's legal expenses.

Therefore, the combined teachings of the applied art suggest that the government should subsidize the insurance premiums of poor people with the motivation of subsidizing their legal expenses.

Nonetheless, whether the applied art suggest this feature or not is immaterial in view of the discussion above.

Therefore, even if the applied art do not suggest the claimed invention, this claim would still not be patentable.

Additionally, it is not clear why Applicant is looking in Covert paragraph 0036 wherein this section was not cited as suggesting this feature.

Additional clarification is requested.

On page 12 Applicant further argues:

With respect to claim 15, applicants reviewed paragraph [0036] of Covert, and were unable to find basing the periodic amount to be charged, in part, on the prospective participant's partner's projected earnings, which is an element of the claim.

Claim 15 recites:

15. (Previously presented) The method according to claim 12 wherein the periodic amount to be charged is based, in part, on the prospective participant's partner's projected earnings.

Similar rationale as applied to the arguments of claim 14 above also applies here, and incorporated herein.

On page 12 Applicant argues:

Applicants respectfully submit that this is an inappropriate use of "Official Notice", and appears to be an attempt to relieve the Office of part of its burden in establishing a *prima facie* case of obviousness, and applicants traverse the rejection upon that grounds.

In making this argument, Applicant asserts that the use of Official Notice is inappropriate; however, Applicant does not state why the previously noticed fact is inappropriate.

Additionally, Applicant further asserts that the Official Notice appears to be an attempt to relieve the Office's burden in establishing a *prima facie* case of obviousness.

Examiner agrees with Applicant's assertion.

In particular, the previously noticed fact is the use of computer to automate insurance underwriting. Since this feature is notoriously well known and is capable of

instant and unquestionable demonstration, this use of Official Notice is fully consistent with MPEP 2144.03.

If Applicant disagrees, Applicant is requested to furnish documentary evidence on why officially noticed facts, when implemented correctly, may not be used to relieve the Office's burden to provide prior art.

Since Applicant traverses the rejection for these grounds, Applicant's argument is found not to be persuasive.

Assuming *arguendo* that Applicant is traversing the previously noticed fact, MPEP 2144.03(C):

"To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 ("[I]n the absence of any demand by appellant for the examiner to produce authority for his statement, we will not consider this contention."). A general allegation that the claims define a patentable invention without any reference to the examiner's assertion of official notice would be inadequate. If applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 ("[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings" to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support

the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2).

If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate."

In this case, Applicant's traversal is inadequate because Applicant failed to specifically point out the supposed error in Examiner's action. Applicant also failed to state why the noticed fact is not considered to be common knowledge or well-known in the art.

Assuming *arguendo* that Applicant's traversal is adequate, Examiner submits class 705, subclass 4, directed towards insurance. This subclass contains many references directed towards using computer technology to calculate premiums as well as perform other underwriting functions.

Examiner further submits Roberts (4642768) who teaches investing insurance premiums. Many other references also exist in class 705, subclass 4.

Therefore, the previously noticed fact is taken to be admitted prior art because Applicant's traversal was inadequate.

On page 12 Applicant further argues:

Furthermore, the cited references do not rectify the lack of a reason to combine in the manner claimed (absent impermissible hindsight), and the rejection should be withdrawn for that reason.

As discussed in complete details in the previous Office Action and the section above, full rationale support the obviousness conclusion have been provided.

In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

On page 12 Applicant argues:

Claim 9 was rejected under 35 U.S.C. § 103(a) as allegedly being unpatentable over Golden in view of Official Notice and alleged Applicant Admitted Prior Art (AAPA). Applicants respectfully submit that this is an inappropriate use of "Official Notice", and appears to be an attempt to relieve the Office of part of its burden in establishing a *prima facie* case of obviousness, and applicants traverse the rejection upon that grounds.

In making this argument, Applicant asserts that the use of Official Notice is inappropriate; however, Applicant does not state why the previously noticed fact is inappropriate.

Additionally, Applicant further asserts that the Official Notice appears to be an attempt to relieve the Office's burden in establishing a *prima facie* case of obviousness.

Examiner agrees with Applicant's assertion.

In particular, the previously noticed fact is the use of computer to automate insurance underwriting. Since this feature is notoriously well known and is capable of instant and unquestionable demonstration, this use of Official Notice is fully consistent with MPEP 2144.03.

If Applicant disagrees, Applicant is requested to furnish documentary evidence on why officially noticed facts, when implemented correctly, may not be used to relieve the Office's burden to provide prior art.

Since Applicant traverses the rejection for these grounds, Applicant's argument is found not to be persuasive.

Assuming *arguendo* that Applicant is traversing the previously noticed fact, MPEP 2144.03(C):

"To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 ("[I]n the absence of any demand by appellant for the examiner to produce authority for his

statement, we will not consider this contention.”). A general allegation that the claims define a patentable invention without any reference to the examiner’s assertion of official notice would be inadequate. If applicant adequately traverses the examiner’s assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 (“[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings” to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2).

If applicant does not traverse the examiner’s assertion of official notice or applicant’s traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner’s assertion of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate.”

In this case, Applicant’s traversal is inadequate because Applicant failed to specifically point out the supposed error in Examiner’s action. Applicant also failed to state why the noticed fact is not considered to be common knowledge or well-known in the art.

Assuming *arguendo* that Applicant's traversal is adequate, Examiner submits class 705, subclass 4, directed towards insurance. This subclass contains many references directed towards using computer technology to calculate premiums as well as perform other underwriting functions.

Therefore, the previously noticed fact is taken to be admitted prior art because Applicant's traversal was inadequate.

On page 12 Applicant further asserts:

Furthermore, as agreed at the interview, applicants have amended claim 9, thus mooted the rejection, to which applicants do not agree (see, e.g., pages 7-8 of previous Amendment specifically traversing the rejection).

According to Applicant's assertion, it is unclear what Applicant is asserting was agreed in the interview.

In particular, Examiner could not have agreed to whether or not the pending amendment would overcome the rejection or not because Applicant did not provide this amendment for Examiner's consideration during the interview.

Therefore, Examiner disagrees that any agreement was reached regarding whether or not an amendment that was not earlier provided to Examiner would overcome a pending rejection.

Insofar as the arguments presented on page 7-8 of the previous Amendment, these arguments were fully addressed on page 15-20 of the previous Office Action.

Furthermore, the substantially portions of these arguments were addressed to features which are currently not being claimed.

Additional clarification is requested.

On page 13 Applicant argues:

Applicants respectfully submit that this is an inappropriate use of "Official Notice", and appears to be an attempt to relieve the Office of part of its burden in establishing a *prima facie* case of obviousness, and applicants traverse the rejection upon that grounds.

In making this argument, Applicant asserts that the use of Official Notice is inappropriate; however, Applicant does not state why the previously noticed fact is inappropriate.

Additionally, Applicant further asserts that the Official Notice appears to be an attempt to relieve the Office's burden in establishing a *prima facie* case of obviousness.

Examiner agrees with Applicant's assertion.

In particular, the previously noticed fact is the use of computer to automate insurance underwriting. Since this feature is notoriously well known and is capable of instant and unquestionable demonstration, this use of Official Notice is fully consistent with MPEP 2144.03.

If Applicant disagrees, Applicant is requested to furnish documentary evidence on why officially noticed facts, when implemented correctly, may not be used to relieve the Office's burden to provide prior art.

Since Applicant traverses the rejection for these grounds, Applicant's argument is found not to be persuasive.

Assuming *arguendo* that Applicant is traversing the previously noticed fact, MPEP 2144.03(C):

“To adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner’s action, which would include stating why the noticed fact is not considered to be common knowledge or well-known in the art. See 37 CFR 1.111(b). See also *Chevenard*, 139 F.2d at 713, 60 USPQ at 241 (“[I]n the absence of any demand by appellant for the examiner to produce authority for his statement, we will not consider this contention.”). A general allegation that the claims define a patentable invention without any reference to the examiner’s assertion of official notice would be inadequate. If applicant adequately traverses the examiner’s assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. See 37 CFR 1.104(c)(2). See also *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697 (“[T]he Board [or examiner] must point to some concrete evidence in the record in support of these findings” to satisfy the substantial evidence test). If the examiner is relying on personal knowledge to support the finding of what is known in the art, the examiner must provide an affidavit or declaration setting forth specific factual statements and explanation to support the finding. See 37 CFR 1.104(d)(2).

If applicant does not traverse the examiner’s assertion of official notice or applicant’s traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner’s assertion

of official notice or that the traverse was inadequate. If the traverse was inadequate, the examiner should include an explanation as to why it was inadequate."

In this case, Applicant's traversal is inadequate because Applicant failed to specifically point out the supposed error in Examiner's action. Applicant also failed to state why the noticed fact is not considered to be common knowledge or well-known in the art.

Assuming *arguendo* that Applicant's traversal is adequate, Examiner submits class 705, subclass 4, directed towards insurance. This subclass contains many references directed towards using computer technology to calculate premiums as well as perform other underwriting functions.

Therefore, the previously noticed fact is taken to be admitted prior art because Applicant's traversal was inadequate.

On page 12 Applicant further argues:

Furthermore, the cited references do not rectify the lack of a reason to combine in the manner claimed (absent impermissible hindsight), and the rejection should be withdrawn for that reason.

As discussed in the section above, detailed rationale has been provided in support of the obviousness conclusion.

In response to applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was

within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

### ***Conclusion***

The new ground(s) of rejection presented in this Office action, if any, was/were necessitated by Applicant's amendment. Accordingly, **THIS ACTION IS MADE FINAL**. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tran (Ken) N. Nguyen whose telephone number is 571-270-1310. The examiner can normally be reached on Monday - Friday, 9:00 am - 5:00 pm Eastern.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, C. Luke Gilligan can be reached on 571-272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/T. N./  
Examiner, Art Unit 3626  
06/26/2009

/C. Luke Gilligan/  
Supervisory Patent Examiner, Art Unit 3626